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CENTRAL INTELLIGENCE AGENCY

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SOURCE EVALUATIONS ARE DEFINITIVE. APPRAISAL OF CONTENT IS TENTATIVE.

[REDACTED] two-page report on the agricultural situation in Hungary. The report contains information on farm collectivization, on cattle production, on arable land, and on barley crops.

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H U N G A R YEconomicFarm Collectivisation in Hungary.

1. In pre-revolutionary Hungary the name of NAGY was closely associated with the development of the agricultural economy: with RAKOSI's advent to power the emphasis was immediately changed and from 1954 there has been a progressive decline in agricultural production and increasing intransigence among the peasants. Although, with RAKOSI's departure, KADAR at first favoured NAGY's policy of putting agriculture before industry, he is unable or unwilling to resist the Russians' demand for stepping-up industrialisation at the expense of the agricultural community. As a result there is now among the peasants a strong feeling of resentment against their urban compatriots which finds practical expression in their being content to produce what they require for themselves but unwilling to respond to the demands for higher production.
2. The collectivisation of farms had met with only partial success up to the time of the revolution and received a set-back during the revolution. The 1951 5-year plan envisaged collectivisation to the extent of 60% of the land in Hungary: by 1956, it was officially admitted that only 32% had been collectivised. After the revolution it is estimated that 40% of the collective farms had reverted to peasant ownership; but the percentage of land which reverted was less since the larger collectives remained as they were. It was admitted by RAKOSI that collectivisation had failed to achieve its target and the new 5-year planning was therefore postponed until 1957: in the meanwhile targets remain as they were.
3. To the extent to which collectivisation succeeded, its success was due firstly to the heavy incidence of taxation on individual farmers and secondly to the fact that collectives were sited more favourably in being given preference over land adjacent to villages. Land holdings in

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Hungary, historically speaking, have become much subdivided and scattered and to consolidate such scattered holdings judicial tribunals, known as DAGOSTIMS, tour the country, arrange amalgamations and readjustments with the consent of the parties concerned and fix legal boundaries. Under the Communist regime, these tribunals have played the Government's game and have systematically apportioned the best holdings to the collectives.

4. Under the current 5 year plan, the target for cattle production is 2 million head per annum, of which half is to be cows. The total has probably been achieved but the percentage of cows is only 40 % and the quality is very bad, noticeably so in collectives where tuberculosis and contagious abortion are rife : it is stated that up to 50 % of cows in the collectives are barren. In the 70 odd State farms of which 10 specialize in cattle breeding, the live stock is of high quality but not enough cattle are raised to provide for the country's needs. According to official figures the average milk yields from State farms in 1956 were 3,000 litres per annum, in collectives 1,500 litres, on private farms 1,300 litres. This compares with a pre-war average yield of 3,000 litres. In fact the yield on private farms is believed to be higher than on the collectives. Furthermore the low standard of live-stock which is a noticeable feature of the collectives is attributable to stock being neglected in favour of the cultivation of crops : on cereal yields bonuses are paid annually, on live stock production there is much longer delay, and the peasants have no faith in the future. Arable acreages are increased and returns falsified in order to achieve larger bonuses on cereal production.

5. Before the war there was the same proportion of land as now, namely 40 %, under the plough. Hungary was then self-sufficient, but in 1956, it was necessary to import Canadian wheat and it is estimated that 50 % should now be cultivated in order to supply the country's needs. Fields are very poor, e.g. the average yield for state farms for 1956 in autumn barley was 1,400 kilos per 'hold' (1 hold = 1,412 acres), for collectives it was 800 kilos per 'hold', for private farms 600. Again, it is stated that these official figures are false, that the statistics are doctored at the lowest level on instructions from above and that the private farms in fact produce higher yields than the collectives.

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